

LAKE COUNTY IMPACT FEE COMMITTEE

MARCH 16, 2006

The Lake County Impact Fee Committee met on Thursday, March 16, 2006, in Room 233 of the Round Administration Building in Tavares, Florida. Ordinance 1996-31, effective April 19, 1996, created this Committee to review impact fees adopted by the Board of County Commissioners, evaluate the expenditure of funds collected via impact fees, and make recommendations to the Board of County Commissioners.

Ordinance 2004-26, enacted April 6, 2004, effective April 13, 2004, changed the name of the Impact Fee Evaluation and Review Committee to the "Lake County Impact Fee Committee" and changed membership from eleven members to ten members. A current commissioner of the Lake County Board of County Commissioners shall serve as liaison in a nonvoting position and shall not be considered a member.

County Commission Liaison

Commr. Jennifer Hill

Members Present:

Jean Kaminski, Chairman
Frank Royce, Vice Chairman
Bill Benham
Tommy Crosby
Nancy Hurlbert
Jim Miller
Robert Miller
Ray San Fratello

Members Not Present:

Bill Calhoun
Glenn Irby

Staff Present:

Wendy Wickwire, Impact Fee Coordinator
Sherie Ross, Public Hearing Coordinator
Debi Tinis, Administrative Services Manager, Public Works
Michelle Daniels, Budget/Impact Fee Technician

Jean Kaminski called the meeting to order at 9:30 a.m. She noted that the meeting had been properly advertised in the newspaper.

County staff and each member of the Committee introduced himself or herself.

MOTION by Nancy Hurlbert, SECONDED by Frank Royce to approve the January 19, 2006 Lake County Impact Fee Committee minutes, as submitted.

FOR: Kaminski, Royce, Benham, Hurlbert, Robert Miller, San Fratello

AGAINST: None

NOT PRESENT: Calhoun, Crosby, Irby, Jim Miller

MOTION CARRIED: 6-0

Tommy Crosby came into the meeting.

Ms. Tinis distributed the 2003 Lake County Impact Fee Benefit Districts map, cumulative historical information regarding road impact fees, impact fee receipts and disbursements for fiscal year 2006, and the road impact fee projects 2005/2006 financial report. Ms. Wickwire distributed the 2006-2010 Transportation Construction Program.

Jim Miller came into the meeting.

The information in the handouts was discussed. Ms. Tinis explained that the Transportation Construction Program is also available on the Lake County Government web site. She stated that Public Works will be meeting with the cities on April 13, 2006 when requests for prioritized projects will be discussed. Public Works then looks at available funding and allots these projects over the next five-year period. By August, the five-year plan for 2007 to 2011 will be completed to go before the Board of County Commissioners (BCC) for adoption; that will become the plan as of October 1, 2006 for the new fiscal year. If something becomes a priority or safety issue, the County will deviate from the plan. However, the adopted plan is a core list of projects that Public Works tries to follow.

In response to Jim Miller, Ms. Tinis said DSN refers to Design; ROW refers to right-of-way; and CST refers to construction in the 2006 – 2010 Transportation Construction Program. She added that one change that will be found in the 2007 – 2011 Transportation Construction Program is the deletion of unfunded projects.

Commr. Hill came into the meeting.

Ms. Tinis stated that today she is discussing the funding source of transportation impact fees in the six benefit districts. Sales tax money and County transportation tax money are also spent for roads and are included in the plan.

When Mr. Benham asked Ms. Tinis what percentage of the road construction budget is derived from impact fees, Ms. Tinis replied that 100 percent of transportation impact fees goes toward construction. It is the largest portion of the road construction budget. The entire Public Works budget is about \$98 million dollars this year. Ms. Wickwire said the entire report is almost 50 pages, but she printed out only that portion pertaining to the impact fees. The entire report is available online.

Regarding the State Impact Fee Task Force, Ms. Wickwire said she had sent an e-mail to Sanford A. Minkoff, County Attorney, asking for an update. His response was that there has been at least one bill filed in the Legislature to regulate impact fees; there may be more than one. Ms. Kaminski asked that any major information be sent to the Committee members. Personally, Jim Miller said he would prefer that Tallahassee not become involved. Although she could argue both sides, Ms. Kaminski felt there are valid reasons and concerns for Tallahassee addressing this subject.

Ms. Kaminski asked Mr. Crosby to give an update on the school impact fee study. Mr. Crosby replied that the School Board has acquired the services of Randy Young's company and have supplied data to him. Mr. Young is now in the process of analyzing the data and asking them questions about it. There is no timeline on the study at this time. There will be an impact fee update scheduled for the March 20, 2006 School Board meeting. A timeline may be discussed at that meeting. In response to Jim Miller, Mr. Crosby said Mr. Young has built in the recent rulings in the Osceola County suit that was recently finalized. In response to Jim Miller, Ms. Kaminski said the ruling basically followed what was being done in Lake County. When Jim Miller said some adjustments must be made based on the data submitted, such as the increase in construction costs, Ms. Kaminski said the impact fee formula has not changed much since the mid-1980s.

Ms. Kaminski stated that Randy Young was involved in the Volusia County lawsuit several years ago in which the Banberry principle was established for giving credits, and the judges and the courts upheld that credits must be given to avoid double taxation. This Osceola County ruling seems to be almost a contradiction of that.

Ms. Kaminski stated that this Committee has asked her to be their representative on the Selection Committee to select a consultant for the remainder of the County impact fees to be updated through this next cycle. The Request for Proposal (RFP) went out; but due to some glitches, only one consultant responded, Tindale-Oliver & Associates, Inc. Therefore, the RFP has been readvertised or sent out to other consultants. Therefore, they were not able to make a selection. The meeting has been rescheduled to March 29; a meeting will also be held on April 19 for the Selection Committee to review the proposals and make a recommendation on the consultant.

When Jim Miller asked about school concurrency, Mr. Crosby said there is a meeting being held today to discuss that. He did not want to speak for the County. Mr. Royce said he thought it had been Mr. Crosby's suggestion originally that the districts be within the individual school attendance zones, whether it be elementary, middle, or high school. That is the choice of the League of Cities. Ms. Wickwire said this discussion on concurrency could not be applied to impact fees. Ms. Kaminski said up until this last update, there were school zones, not by attendance zones per school but the County was broken into zones. There have been complaints around the County that going to a single district for purposes of impact fees was not the most prudent thing to do because there is some feeling that South Lake is getting all of the money. If he had to do it over again, Jim Miller said he probably would have voted differently when the Committee made a recommendation to make one district. If that is an issue, Ms. Wickwire suggested attending the School Board meetings as that is who is handling the impact fee study and that is where that determination would be made. Ms. Kaminski said this Committee will see and have access to that study long before any adoption. Jim Miller did not feel the municipalities would agree to a single district as far as a concurrency plan. Ms. Wickwire commented that the reason for going to one district during the last impact fee study was a legal recommendation based on the requirement that the School District provide the same level of service to the entire district. Ms. Kaminski felt that is a valid concern for discussion as this Committee goes through the next cycle or process. She spoke of a supplemental education fee in Lady Lake. This was done because there is great concern that all the monies coming in are being spent in the growth area in South Lake. Mr. Crosby said that is inaccurate. The majority of the new construction in the next Five-Year Plan is coming from impact fees.

Commr. Hill asked the Committee to let her know if this Committee would like Mr. Minkoff to attend the next scheduled meeting in June to discuss the Osceola lawsuit. When there was discussion of having a meeting before June, Mr. Crosby said he did not know if the impact fee study would be done before June.

Ms. Wickwire stated that traditionally the fire impact fee annual report is given at the June meeting as well as discussion of legislative issues.

Ms. Kaminski confirmed that it was the consensus of the Committee to invite Mr. Minkoff to the June meeting. In response to Ms. Wickwire, Ms. Kaminski said she would be interested in hearing a comparison of the Osceola and Banberry determinations. She would also like a concurrency update from Mr. Minkoff at that meeting. Commr. Hill said she would be interested in hearing how those court cases apply to Lake County. She added that Mr. Crosby may want to invite Steve Johnson, the School Board Attorney, to the June Impact Fee Committee meeting.

Jim Miller referred to Page 3 of the newsletter that had been distributed in which it spoke of a special issue on school concurrency and impact fees. Ms. Wickwire stated that this newsletter is put out by Tindale-Oliver & Associates. She noted the ongoing projects and recently completed projects listed on Page 4, especially the one done for Fruitland Park's new fire and law enforcement impact fees.

Since he was not on this Committee when the school impact fee was last updated, Mr. Crosby asked if this Committee made the recommendation that the prepayments be allowed at the old rate to avoid the increase.

Ms. Wickwire said that is a BCC decision, but Ms. Kaminski said this Committee has upheld that decision. She said there are many valid reasons for doing that. There are many properties in Lake County on which impact fees have been prepaid, but there has been no impact and that money has been accruing interest over the years. She added that Mr. Minkoff had proffered the opinion that there was not much of a negative balance or it may even have been a positive balance because there are so many properties that have prepaid and never been developed. When it gets to that point in the study, Mr. Crosby said he would like to possibly put more effort into the economic analysis because the interest rates the School Board has been earning on those properties over the past ten years will never equal the impact fee that was avoided by prepaying.

Jim Miller commented that there would never have been impact fees if it were up to the School Board. The BCC implemented impact fees against the wishes of the School Board.

From an administrative standpoint, Ms. Wickwire said she would like to see prepayments eliminated. However, prepayments have been a long-standing principle of the BCC. Prepayments are part of Chapter 22 of the Code and apply to all impact fees. Ms. Kaminski spoke of a court case on that particular issue where a government body changed the fees effective the next day. It was contested, and they did have to give notice. Traditionally, Lake County has given 60 to 90 days notice. Ms. Wickwire added that the goal is always 90 days; but due to timing and meeting dates, sometimes it is a little less or a little more. On an administrative level, Ms. Wickwire said she would like to see some refinement to the prepayment system.

Ms. Wickwire asked that any members who have questions for the meeting in June to submit them to her. Jim Miller said his main questions would be concerning the bondability of impact fees, the Osceola court case, and concurrency.

Ms. Kaminski said Ms. Wickwire had applications for future vacancies on this Committee. As of last week, Ms. Wickwire said no member had submitted an application to remain on this Committee when their term ends. In addition to the citizen-at-large positions, applications should also be submitted for representative for the agricultural industry and the industrial community. Members representing an organization have letters sent to the County from that organization reappointing them if they wish to remain on the Committee.

MOTION by Jim Miller, SECONDED by Frank Royce to adjourn the March 16, 2006 Impact Fee Committee meeting at 10:20 a.m.

FOR: Kaminski, Royce, Benham, Crosby, Hurlbert, Jim Miler, Robert Miller, San Fratello

AGAINST: None

NOT PRESENT: Calhoun, Irby

MOTION CARRIED: 8-0

Respectfully submitted,

Sherie Ross
Public Hearing Coordinator

Jean Kaminski
Chairman